



TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS

27TH ANNUAL REPORT

DECEMBER 31, 2000

TABLE OF CONTENTS

AGENCY OVERVIEW

Mission and Vision Statements
Message from the Commissioner
Headquarters Personnel – Nashville
Examination Personnel by Division
Total Number of State-Chartered Institutions and Licensees

ADMINISTRATIVE AND SUPPORT SERVICES DIVISION

Summary of Activity
Expenditure and Funding Sources

LEGAL DIVISION

Summary of Activity
2000 Legislation

BANK DIVISION

Summary of Activity
New Charters and Corporate Reorganizations
Charts and Graphs
Key Bank Ratios – State-Chartered Banks
Consolidated Balance Sheet and Income Statement – State and Federal
Summary of Individual Bank Performance
National Banks Headquartered in Tennessee
Out-of-State Banks Operating Branches in Tennessee
Consolidated Balance Sheet and Income Statement – State-Chartered
Trust Companies
Summary of Individual Trust Companies

CREDIT UNION DIVISION

Summary of Activity
New Charters and Corporate Reorganizations
Charts and Graphs
Key Credit Union Ratios – State and Federal
Consolidated Balance Sheet and Income Statement – State and Federal
List of State-Chartered Credit Unions

COMPLIANCE DIVISION

Summary of Activity/Composite Annual Report



AGENCY OVERVIEW

TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS

MISSION AND VISION STATEMENTS

MISSION STATEMENT

The primary statutory mission of the DEPARTMENT OF FINANCIAL INSTITUTIONS is to provide the citizens of Tennessee with a sound system of state-chartered financial institutions by:

- *providing for and encouraging the development of depository financial institutions while restricting their activities to the extent necessary to safeguard the interest of depositors; and*
- *seeking to ensure compliance by both depository and non-depository financial institutions with governing laws and regulations.*

The Department is further committed to the provision of quality constituent services to the institutions it examines, supervises and regulates; the citizens of the State of Tennessee; members of the Tennessee General Assembly and of Congress; the Office of the Governor and other agencies of the state and federal governments; other state and federal financial institutions' regulatory agencies; and to the provision of quality management of its personnel and fiscal resources.

VISION STATEMENT

We seek to sustain an environment in the Great State of Tennessee which fosters a feeling of confidence and security among its citizens in regard to their choice of financial institutions. We advocate the continuance of the dual chartering system which allows us to provide a financial regulatory structure which more efficiently meets the needs and economic welfare of the residents of our State. The management of the department strives to foster a sense of job satisfaction and ample career path opportunities to assure we are adequately staffed with well qualified, experienced, and long-tenured employees. As a strong team, we can be more diligent, efficient, effective, responsive, and innovative in administering our duties. We continuously strive to make the Tennessee state charter the charter of choice and the Department of Financial Institutions the preferred financial services regulatory agency in the State of Tennessee.

LETTER FROM COMMISSIONER BILL C. HOUSTON



I am pleased to present this Twenty-seventh Annual Report of the Department of Financial Institutions.

The Year 2000 was generally favorable for financial institutions although it was also transitional in several ways. Congressional passage of the Gramm-Leach-Bliley Act on November 12, 1999, permitted the creation of new financial services holding companies that can offer a full range of new financial products and services. This legislative amalgamation of the banking, securities, and insurance industries did not spur a great deal of inter-industry merger activity but will enable banks and other financial companies to offer a broader array of financial products in the future.

Financial companies continued to grow in terms of assets and income but at a slower pace than in past years. Mortgage markets were a little unstable as interest rates rose during the first half of the year then started a declining trend during the last six months. Some deterioration in credit quality also prompted slightly higher provisions for loan losses and increased loan underwriting standards.

During the year, the Department continued to improve its ability to identify and correct emerging problem situations. Particular attention was devoted to uncovering predatory lending activities and dealing forcefully with those responsible. The Department is fully committed to assuring that Tennessee's financial institutions are financially sound and provide quality service to our citizens. Activities of the Department are outlined on the following pages and I am proud to present this report covering the accomplishments of our staff during the year 2000.

TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS

HEADQUARTERS PERSONNEL - NASHVILLE

(STAFFING REFLECTED AS OF 12-31-00)

COMMISSIONER'S OFFICE

Bill C. Houston, Commissioner

Kayce Cawthon-Stoker, Administrative Assistant, Records Officer

Paula J. Cagle, CPS, Executive Secretary

LEGAL DIVISION

Greg Gonzales, General Counsel

Tina G. Miller, Attorney

Marsha P. Anderson, Attorney

David G. Taylor, Attorney

Debra C. Grissom, Paralegal

ADMINISTRATIVE AND SUPPORT SERVICES DIVISION

Harry P. Linn, CFE, Assistant Commissioner

HUMAN RESOURCES

Cynthia L. Wilson, Personnel Analyst

TRAINING

Dennis H. Shipp, CEM, CFE, Program Administrator

FISCAL SERVICES

Carolyn G. Merhar, Fiscal Officer

Douglas J. Lapka, Accountant

Barbara A. Jones, Administrative Services Assistant

Penny S. Vaden, Administrative Secretary

INFORMATION SYSTEMS

William B. Wooten, CISA, CDRP, CSP, Director

Mary E. Wilhite, CNA, Information Resource Specialist

Patti A. Miller, Programmer Analyst

CREDIT UNION DIVISION

Harry P. Murphy, CFE, Assistant Commissioner

DeLynn Hancock, Executive Secretary

Paul L. Foster, Manager

Stanley H. Griffin, Administrative Secretary

TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS

HEADQUARTERS PERSONNEL - NASHVILLE

(STAFFING REFLECTED AS OF 12-31-00)

BANK DIVISION

Derek L. Carrier, Assistant Commissioner

Pansy Pardue–Leech, Executive Secretary

APPLICATIONS

Curtis F. Faulkner, Program Administrator

Paula H. Miller, Administrative Services Assistant

BANK EXAMINATIONS & FINANCIAL ANALYSIS

James S. Douthit, Chief Administrator

Jean Jackson, Administrative Secretary

Storm A. Miller, Financial Analyst

Joyce Simmons, CPA, Financial Analyst

TRUST EXAMINATIONS

Vivian Y. S. Lamb, CEM, Program Administrator

COMPLIANCE DIVISION

Roger W. Thomas, CFSA, Assistant Commissioner

Jean A. Rosalez, Executive Secretary

Maclin D. Whiteman, Financial Analyst

APPLICATIONS

Carl Scott, CFSA, Director

Betty Osborne, Administrative Secretary

CHECK CASHING/DEFERRED PRESENTMENT

Steven E. Henley, CPA, Director

Amy Ballard, Administrative Secretary

EXAMINATIONS

Nita H. Taylor, Director

Lisa J. Gregg, Administrative Secretary

TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS

EXAMINATION PERSONNEL

(AS OF 12-31-00)

BANK DIVISION EXAMINERS

West Tennessee District

Shirley Sanderson, CEM, – Manager

Off-Site Monitoring Supervisor – Phil Stafford, CEIC

Trust Examinations Specialist – Bruce Allen, CEIC, CFE, IV

66 Banks

\$7.8 Billion in Assets

Terry Warren, CEIC, CRE, Supervisor

Vicki Ivey, CEIC, CFE, IV

Dana Owen, CEIC, Certified Fraud Exam., IV

Robert Prather, CEIC, CFE, IV

Robert Shannon, CEIC, CFE, IV

Roxanne Taylor, CEIC, CFE, IV

Danny Nolen, CEM, CFE, Supervisor

Jerry Davis, CEIC, CFE, IV

Laurie Gaddis-Durham, CEIC, CFE, IV

Debora King, CEIC, CFE, IV

Timothy Runions, CEIC, CFE, IV

Middle Tennessee District

Harrison White, CFE, CEM – Manager

Off-Site Monitoring Supervisor – Joe P. Boaz, CEM

Trust Examination Specialist – Tod Trulove, AFE, CEIC, IV

53 Banks

\$5.8 Billion in Assets

Irving B. Ginsberg, CEF, CFE, Supervisor

Lee Pedigo, AFE, IV

Michael Sisk, CEIC, AFE, IV

David Tate

Todd Rice, CEM, Supervisor

Sherri Cassetty, STAT, CEIC, IV

Kenneth Hensley, Bank Financial Analyst

John Hudson, CEIC, IV

Clyde McClaren, AFE, IV

East Tennessee District

Kenneth Kelley, CEM – Manager

Off-Site Monitoring Supervisor – Louella H. McElroy, CEM

Trust Examination Specialist – Wade McCullough, CEIC, CFE, IV

50 Banks

\$8.3 Billion in Assets

Chester Justice, Jr., CEM, Supervisor

Robin Culbertson, CEIC, IV

Timothy Poteet, AFE, CEIC, IV

Jason B. Wilkinson, CEIC, IV

Claude N. Huff, Jr., CEF, CFE, Supervisor

Bill Cave, CEIC, CFE, IV

Jonathan Piper, CEIC, IV

Teresa Weaver, CFE, CEIC, IV

Alfred Hacker, III

TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS

EXAMINATION PERSONNEL

(AS OF 12-31-00)

CREDIT UNION EXAMINERS

Total Assets in Billions – \$4.1

Total Number of Credit Unions – 149

(As of 12-31-2000)

West/Middle Tennessee District

81 Credit Unions
\$2.1 Billion in Assets

Randall D. Means, V, Supervisor

Alan Gober, IV
Steve Eddings, CFE, IV
Tom Harper, IV
Vickie L. Young, IV

East Tennessee District

68 Credit Unions
\$2.0 Billion in Assets

John R. Shires, V, Supervisor

Eric D. Batts, CFE, IV
Shane Hardin, IV
Lance Hogelin, AFE, IV
Greg Perry, CFE, IV
Dwight Ward, I

COMPLIANCE DIVISION EXAMINERS

West

David Reynolds, CFSA, IV
Patrick Ryan, CFSA, III
Marilyn Schroepel, III

Middle

Robert Campbell, I
Robert Doyle, III
Gene Smith, CFSA, III
Jane Williams, CFSA, III

East

Chris Adams, CFSA, Certified
Fraud Examiner, III
Frank Barnes, CFSA, II
Brian Williams, II
Dennis Woodmore, CFSA, III

Key to Staff Title Designations:

“AFE” Accredited Financial Examiner; “CDRP” Certified Disaster Recovery Planner; “CEIC” Certified Examiner-in-Charge; “CEM” Certified Examinations Manager; “CFE” Certified Financial Examiner; “CFSA” Certified Financial Services Auditor; “CISA” Certified Information Systems Auditor; “CPA” Certified Public Accountant; CPS Certified Professional Secretary; “CSP” Certified Systems Professional. *Roman Numerals denote field examiner level.*

TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS

TOTAL NUMBER OF STATE-CHARTERED INSTITUTIONS AND LICENSEES

CHARTERS	December 31, 2000	December 31, 1999
Commercial Banks/Savings Banks	169	170
Trust Companies	13	14
BIDCOs	3	4
Credit Unions	149	151
TOTAL NUMBER OF CHARTERS	334	339
 LICENSEES		
Industrial Loan and Thrift Companies	842	889
Insurance Premium Finance Companies	73	74
Mortgage Companies	1,113	1,095
Money Transmitters	33	32
Deferred Presentment	968	819
Check Cashers	300	230
TOTAL NUMBER OF LICENSEES	3,329	3,139